

POMPEIAN OLIVE OIL — POMPEIAN OLIVE OIL — POMPEIAN OLIVE OIL — POMPEIAN OLIVE OIL — POMPEIAN OLIVE OIL

STOP! LOOK! LISTEN!

And the Lord said unto Moses, "Wherefore criest thou unto me? Speak unto the children of Israel that they go forth." (Exodus, 14th chapter, 15th verse.)

Honorable Thomas R. Marshall, Vice President of the United States, at the Victory Dinner of the District of Columbia Bankers' Association, said in part, as follows:

"Victory is only half accomplished if you let the thrift and enterprise and industry of this country come suddenly to an end. The manufacturer of this country who is now halting because he hopes the bottom is going to drop out of raw materials, the wholesaler who is not buying because he hopes manufactured products will come down, and the retailer who is hesitating for the same purpose, and the man who is washing a dirty shirt when he can buy a new one, has not got the gleam of the new America.

"You have got to keep things moving in America in order to keep up the high standards of the American people, and you have got to lend money, gentlemen, to the men who are running the business enterprises of this country. And the men who are manufacturing and selling have got to stop waiting for the bottom to come out."

The timely remarks made by the Vice President of the United States should be heralded throughout the land as a warning to the producers, manufacturers and dealers that this is not a time to stop, but to go forward. Just as the Israelites before the Red sea halted because of fear, so have the producers, manufacturers and dealers throughout the United States halted; not so much because of fear, but because of the attitude of the bankers, and particularly that of the Federal Reserve Board, who have at their command the resources of the country and the credit of the people of the United States; and because no such leadership has arisen to say, "Wherefore criest thou unto me? Speak unto the people of the United States that they go forward."

It is therefore that the industries of the country have come to a complete halt. And the Federal Reserve Board have themselves become panicky and have issued warnings time and again through the Federal Reserve Banks that it is necessary to conserve credit—that it is necessary to hold the resources of the banking institutions and make them available to the United States government. They do not realize the full importance of supplying necessary cash credits for the reconstruction period and for the further development of the country to the end that every one in the United States who wants to work shall be employed.

What we need is a fearless leadership in the banking world—a leadership that does not become disturbed and panicky in times of distress—a leadership that will recognize values not only in gold, but in commodities; improvements in buildings, in plants, in everything that produces wealth, not limiting its faith and confidence to the "golden calf." And we feel that such a leader has arisen in the person of Vice President Marshall.

As it was necessary for Moses to destroy the golden calf which was made during his forty days' absence on Mt. Sinai, so it is necessary today for a strong leader to come forward to destroy the rule of the "golden calf"—to make the bankers of the country realize that gold is only a measure of value and that with gold alone the world cannot make progress. With commodities, even without gold, the world can nevertheless continue to make progress. We do not want to be interpreted as advocating the abandonment of the gold standard. On the contrary, we favor the gold standard, but we want gold to remain gold and money to remain a measure of value. But we ask that **commodities** also be recognized as a measure of value.

Today interest rates in the United States to the merchants are higher than in France, Great Britain or Italy. Money, or rather cash credits, are available to the merchant in Norway, Sweden, Denmark and Spain at very much lower rates than they are available to the merchants in the United States. It is

inadvisable to have the Federal Reserve Banking System so administered as to have commodity commercial rates higher than in other countries—in countries poorer, smaller and not nearly as developed as the United States is.

The absence of a uniform interest rate throughout the United States which would enable the merchant in Savannah or the merchant in Boston to obtain funds at the same cost is a very deep drawback to the development of the country. The fact that southern producers, manufacturers and dealers are forced to pay 8, 10 and 12 per cent for money is very deplorable.

The intent of the Federal Reserve Act was to equalize rates of interest, to give the country everywhere the same banking facilities and to destroy usury; but with the present administration of the act usury continues to flourish. The rates of interest are not equalized throughout the United States. The money power—the "golden calf"—is still in control of the resources of the country.

The Federal Reserve Act is administered today by pure bankers—bankers who have had no experience in direct mercantile life—bankers who only know banking as a business, but do not know anything about buying or selling or manufacturing of goods. Therefore they do not feel that they are called upon to provide the necessary means at the lowest cost for the development of production throughout the country.

The administration of the Federal Reserve Act should be in the hands of bankers and merchants; and the duties of the administration of the Federal Reserve Act should be to equalize interest rates, to keep interest rates in the United States at the lowest possible figure—lower than in any other country; to provide domestic and foreign banking facilities to every merchant everywhere throughout the United States.

The Advisory Council of the Federal Reserve Board should consist of merchants and bankers in equal proportion. The Secretary of Commerce should be an ex-officio member of the Advisory Council of the Federal Reserve Board.

The Federal Reserve Board pride themselves in showing a profit of \$55,000,000 made by the Federal Reserve Banks last year. Out of the \$55,000,000, \$20,000,000 were made by the Federal Reserve Bank in New York and only \$35,000,000 by the other eleven Federal Reserve Banks throughout the country. Either this does not speak well for the other banks or it shows that the Federal Reserve Bank in New York has been too aggressive in money-making ideas.

We hereby make the request that the address delivered by the Vice President of the United States be published in the next issue of the Federal Reserve Bulletin, just as the speech delivered by Mr. Paul M. Warburg in Atlantic City at the U. S. Chamber of Commerce convention was published. In this speech he endeavored to prove that the United States can get along without a Federal Reserve Foreign Bank; that there are ample facilities in the United States now for our foreign commerce to clear through without a Federal Reserve Foreign Bank.

We would suggest that this theory is erroneous, as was the theory that the dollar at a discount is a beneficial factor in the development of our foreign commerce. When vice governor of the Federal Reserve Board he adopted the theory that the dollar at a discount is rather a good thing. Therefore, the dollar remained at a discount for months. It still is at a discount in a good many countries today.

Furthermore, he believes that the Federal Reserve Foreign Bank (an institution which would give the whole country foreign banking facilities) is not necessary; that the Federal Reserve Banking System can go on without foreign banking facilities—without the addition of a Federal Reserve Foreign Bank.

The requirements of the country demand that foreign banking facilities be extended to every merchant through every bank in the United States. And that can only be accomplished through the establishment of a Federal Reserve Foreign Bank, as advocated by Senator Robert L. Owen, chairman of the United States Bank Currency Division.

The Purpose of This Publicity Is:

- 1st—To congratulate Vice President Marshall upon his highly appropriate speech to the District of Columbia Bankers' Association.
- 2d—To state that the Federal Reserve Act is at present not administered in such a way as to achieve the greatest good for the greatest number.
- 3d—To state that low interest rates, uniform interest rates and uniform foreign banking facilities throughout the country are urgently needed.
- 4th—To state that reconstruction involves the employment of every available individual in the United States who is willing to work, and that can only be accomplished by the right kind of banking leadership.
- 5th—To state that the merchants of the country should have their full share in the administration of the Federal Reserve Act and of the Federal Reserve Banks throughout the country. That the Federal Reserve Banking System should be the merchants'—the people's—banking system, and not an exclusive bankers' banking system.

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